

**Wisconsin Department of Public Instruction, Financial Services Team**  
**WISCONSIN PUBLIC SCHOOL DISTRICT AUDIT MANUAL**

**DEPARTMENT OF PUBLIC INSTRUCTION**  
**COMMON SCHOOL FUND (SCHOOL LIBRARY) AID**

**State ID # 255.103**

**I. PROGRAM OBJECTIVES**

Common School Fund Aid is distributed to school districts for the purchase of instructional media center materials and school library computers and related software. It is distributed on a per capita basis according to the school census.

**II. PROGRAM PROCEDURES**

Allocations are calculated by dividing the total Common School Fund income by the total number of children ages 4 through 20 residing in Wisconsin school districts as reported on the school census. The DPI then apportions such amount to each school district based on the number of children shown in the district's census.

Expenditures for library media are reported in Function 222000, Project 031 in the district's financial software. Addendum A82 of the annual report is completed by district staff which computes the aid amount remaining and available to the district.

**III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES**

**A. TYPES OF SERVICES ALLOWED AND UNALLOWED**

**1. Compliance Requirement**

Wisconsin Statute 43.70(3) provides that money generated by the Common School Fund be used for the purchase of library books and other instructional materials for school libraries and for the purchase of instructional materials from the state historical society for use in teaching Wisconsin history. Appropriate records of all purchases under this section shall be kept and necessary reports

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thereon shall be made to the state superintendent. A list of eligible and ineligible expenditures can be located at [Purchasing Guidelines and WUFAR Budget Codes](#)

Function 222000 of the WUFAR is Instructional Media. A variety of Object Codes can be used within this function, but only items that are eligible Common School Fund purchases should be coded with Project Code 031. The following Objects in Function 222000, Project 031 qualify as eligible instructional media expenditures of Common School Fund Aid:

OBJECT	DESCRIPTION
431	Audiovisual
432	Library Books
433	Newspapers
434	Periodicals
439	Other Media
360	Technology & Software Services (may be coded to 386 if purchased through CESA)
480	Non-Capital Technology

### Audit Procedures:

- 1)-Obtain the general ledger expenditure detail for Function 222000, Project 031 and the eligible object accounts listed above.
- 2)-Select a sample of expenditures from the general ledger obtained in the previous step.
- 3)-Test the expenditures in the sample selected for the following attributes:
  - a) The expenditure is properly supported with original source documentation
  - b) The expenditure is properly recorded and has a correct account distribution
  - c)-The expenditure is an allowable common school fund expenditure

## 2. Compliance Requirement

Wisconsin Statute 43.70(3) allows districts to use up to 100% of the common school moneys received to purchase school library computers and related software if the school board consults with the person who supervises the school district's libraries and the computers and software are housed in the school library. Appropriate records of all purchases under this section shall be kept and necessary reports thereon shall be made to the state superintendent.

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Related software is defined by DPI as software which is pre-installed on the new computers at the time of purchase. Separate purchases of eligible computer software programs should be coded to Object 480, Function 222000, Project 031. Smart boards, printers, LCD projectors and scanners do not qualify as a common school fund expenditure but should still be coded to Objects 581 and 582, Function 222000, Project 031 if housed in the school libraries. Questions regarding qualifying computers and related software should be addressed to Monica Treptow, School Library Consultant at 608/575-6065 or [monica.treptow@dpi.wi.gov](mailto:monica.treptow@dpi.wi.gov).

### **Audit Procedures:**

- 1)-Review expenditures charged to Function 222000, Objects 581 and 582, Project 031 for purchases of computers and related software which are being housed in libraries of the district. The computer expenditure total reported can also be obtained from addendum A82 of the annual report.
- 2)-Test the computer and related software expenditures for the following attributes.
  - a) The expenditure is properly supported with original source documentation.
  - b) The expenditure is properly recorded and has a correct account distribution.
  - c)-The expenditure is an allowable common school fund expenditure.
- 3)-Obtain certification from the Library Media Specialist confirming the required consultation regarding computer purchases and that they are housed in district libraries.

## ***B. ELIGIBILITY***

### **1. Compliance Requirement**

Common School Fund distributions are made to each district on a per capita basis according to the school census. The school count for K-8 districts is residents at least 4 years old but not yet 14 years old, union high school districts is residents between the ages of 14 and 20, and k-12 districts residents between the ages of 4 and 20. The school district submits school census data as of June 30 via the School Finance Reporting Portal, Non-Financial Data Home.

State statute [§120.18\(1\)\(a\)](#) allows districts to identify census numbers by utilizing one of two established processes:

1. Perform an actual physical census count

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2. Perform a mathematical calculation to determine a school census number

### **Audit Procedures:**

- 1)-Obtain the district's signature/certification page and supporting documentation for the school census report.
- 2)-Review procedures used to compile the school census report and evaluate for adequacy.

### ***C. MATCHING, LEVEL OF EFFORT AND/OR EARMARKING***

#### **1. Compliance Requirement**

The total of eligible objects reported for Project 031 must be at least equal to Common School fund revenue, Source 613, "Library Aid."

### **Audit Procedures:**

- 1)-Determine eligible expenditures are at least equal to Common School Fund revenue.

### ***D. REPORTING REQUIREMENTS***

#### **1. Compliance Requirement**

Eligible costs are reported in Fund 10 of the annual report in SAFR. Addendum A82 is used to compute the amount of common school fund aid remaining and available to the district.

### **Audit Procedures:**

- 1)-Obtain addendum A82 for the district and recompute the amount of common school fund aid remaining for that district.
- 2)-Trace amounts reported in addendum A82 to the district's general ledger.
- 3)-Verify any unspent Common School Funds are recorded as Restricted Fund Balance in 10B 936130.

#### **2. Compliance Requirement**

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Common School Fund distributions are made to each district on a per capita basis according to the school census. The school district submits school census data as of June 30 via the School Finance Reporting Portal, Non-Financial Data Home.

### **Audit Procedures:**

- 1)-Obtain the district's signature/certification page and supporting documentation for the school census report.
- 2)-Trace the census number reported to DPI to supporting documentation.

### ***E. SPECIAL TESTS AND PROVISIONS***

There are no special tests and provisions for the auditor to test for.